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# The Struggle for Public Water in Marseille, France

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ABSTRACT: Marseille is presented here as an unsuccessful case study of remunicipalisation. While there have been a number of cases in France where water and sanitation services have been successfully returned to public control, remunicipalisation remains the exception rather than the rule. In 2013, a small group of local activists in Marseille attempted without success to cancel a concession contract with Société des Eaux de Marseille (SEM), a subsidiary of Veolia and one of the largest and most powerful water companies in the world. We argue that the contract in Marseille may be one of the hardest to break in France since water and sanitation have been delivered by Veolia since the late 19th century. Given the legal barriers and the deep influence of Veolia over Marseille's political economy, remunicipalisation is unlikely in the absence of a major scandal related to corruption or the quality and pricing of water and sanitation services.

KEYWORDS: Urban water supply, remunicipalisation, social movements, public-private partnerships, Marseille, France

# INTRODUCTION<sup>1</sup>

In the past twenty years, no country has seen more reversals of private water contracts than France. France has long been a leader in the remunicipalisation movement, in part because it has the most contracts to reverse. The world's largest multinational water companies, the 'three sisters' – Suez, Veolia and SAUR – were all founded in France (Laimé, 2005). Over the past 150 years, these companies have formed public – private partnerships with municipal governments to deliver water and sanitation services, giving rise to the 'French model' of privatisation through delegated management. This model was exported in the 1990s under the tutelage of international financial institutions such as the World Bank, which made loans conditional on privatisation. Through their lobbying efforts at home and abroad, these powerful French water companies have helped shape global water policy.

Yet citizens in France have fought back. In the past two decades, the French model of water management has gone into crisis (Chiu, 2013). Since 2000, over 144 concession contracts in France have been reversed in a movement commonly known as 'remunicipalisation', the most famous of which was in 2010 in metropolitan Paris, the largest city in the country (Kishimoto et al., 2017). Local elected officials face a choice regarding how to deliver efficient and good quality water services: delegated management contracts to private firms, or direct management through a public operator, known in France as a *régie* (Bauby, 2014: 48). Notwithstanding many important victories, the fight for public water in France remains an uphill battle.

# Spronk and Sing: The struggle for public water in Marseille

<sup>&</sup>lt;sup>1</sup> All translations from French to English are by the authors.

This paper investigates the case of Marseille, home of one of the largest and oldest water privatisation contracts in France. Since the late 1800s, water and sanitation services in Marseille have been provided by the multisector service company Veolia, under different informal and formal arrangements. In 1941, during the Vichy era, the relationship between Veolia and the municipal government was regularised by the establishment of a public – private partnership between a subsidiary of Veolia and the municipal government, which operates under the name Société des Eaux de Marseille (the Water Society of Marseille, or SEM).

The SEM contract is viewed as a flagship agreement for both sides of the privatisation debate. For promoters of privatisation, the contract is important because Marseille is the third-largest urban area in France (behind Paris and Lyon) and therefore represents a very lucrative contract for Veolia. It is also the headquarters of the World Water Council, and therefore loss of the private contract would be of symbolic significance. By contrast, for its detractors, SEM represents everything that is wrong with privatisation: high prices, corruption and a general lack of transparency.

SEM attracted considerable attention from both sides of the public – private debate in the lead-up to the 2012 World Water Forum and its counter-forum, the Alternative World Water Forum. Despite considerable local grassroots mobilisation and international solidarity efforts, in 2013, Marseille's municipal councillors, under the influence of the mayor, voted by an overwhelming majority to renew the SEM contract for another 15 years. There were 127 votes in favour of renewal and ten votes against: six from councillors from the Green Party, two from the Communist Party, and two from the Socialist Party.

In this paper we analyse the barriers faced by local activists in Marseille in the struggle to reverse privatisation in favour of public forms of management. We argue that the legal environment in France is not conducive to shifting from private to public management, but that several high-profile remunicipalisations in large urban centres such as Grenoble and Paris suggest that this barrier can be overcome. In Marseille, however, convincing municipal councillors to cancel the contract has proven particularly difficult because there is no 'public' to return to; water and other key services have been managed by private firms for as long as anyone can remember. The French model of delegated management is therefore hegemonic in Marseille, which is in turn solidified by the clientelist nature of state – civil society relations (Mattina, 2008). In the absence of a major political shift or a scandal related to prices or water quality, the SEM contract may be one of the harder contracts to break in France.

The article is organised as follows: the first section describes our methodology; the second describes the water and sanitation sector in France; the third analyses the drivers behind remunicipalisation movements in France; the fourth analyses the challenges faced by the movement for public water in Marseille; and the conclusion discusses the future prospects for public water in the city.

# METHODOLOGY

We conducted on-site interviews in May 2018. After a primary analysis of collected data, we conducted supplementary interviews (remotely) during the months of June and July 2018 in order to expand on certain areas and clarify issues raised by participants. We complemented our primary data with a comprehensive review of secondary literature, including academic writing, media publications, and reports from public institutions and NGOs.

In total, we interviewed ten people (eight men and two women) from a wide range of organisational types, including community activists, elected officials, consultants, NGO representatives and lawyers (see Table 1). All were in favour of public management of water services. We interviewed four activists involved in Eau Bien Commun PACA, which emerged following the Alternative World Water Forum and which coordinated citizens who were opposed to water privatisation. Eau Bien Commun PACA is still in existence but was most active between 2012 and 2016 following the renewal of the contract. Since we

recognise that remunicipalisation clusters have emerged in France as a result of political struggles at the municipal and regional levels, we interviewed six people from the broader movement for public water in order to gain information on the political and legal barriers faced by public water activists. Interviewees were identified through preliminary research as well as snowball sampling. Interviews of between 20 and 120 minutes were recorded and then transcribed. We repeatedly requested interviews with elected officials in favour of privatisation, such as the mayor of Marseille and his councillors, but our requests were ignored. Our analysis therefore focuses on the strategies and tactics of the key public intellectuals and activists who are struggling for public management of water resources in Marseille.

Table 1. Interviews.

	Name	Position	Organisation	Date
1	Thierry Uso	Member	Eau Secours 34	16 May 2018
2	Bernard Mounier	President	Eau Bien Commun (PACA)	29 May 2018
3	Christian Pellicani	Municipal council member	Communist Party/Eau Bien Commun (PACA)	29 May 2018
4	Michèle Poncet-Ramade	Borough council member	Green Party/Eau Bien Commun (PACA)	30 May 2018
5	Benoit Payan	Municipal council member	Socialist Party	31 May 2018
6	Gabriel Armand	Co-president	Eau Bien Commun (PACA)	1 June 2018
7	Emmanuel Poilane	General director	France Libertés – Fondation Danielle Mitterrand	11 June 2018
8	Jean-Claude Oliva	Director	Coordination Eau Île-de- France	11 June 2018
9	Marc Laimé	Consultant	Independent	4 July 2018
10	Zehor Durand	Lawyer	Independent	9 July 2018

Our sample is not meant to be representative of Marseille's broader civil and political society. Eau Bien Commun PACA is a small group of committed citizens who identify with the Left (Communist, Socialist and Green parties), are middle class and middle-aged.<sup>2</sup> Interview participants were very vocal about their views on water privatisation and have openly expressed their opposition to Veolia's control over Marseille's water supply in many public fora. Unsurprisingly, all participants therefore agreed to be identified by name and to be quoted in this article.

The aim of this research is to understand why efforts to reverse the delegation contract in Marseille have been unsuccessful and what this means for the future prospects of public water. In line with the other articles in this Special Issue, we asked questions about the coalition of social forces in favour of (and critical of) water privatisation, their opinions on the contract with SEM more specifically, the motivations and rationale for their activism, the strategies and tactics they favoured in organising, whether they felt that their efforts have helped raise public awareness of the issue, and the most important barriers they faced in the struggle for public water in Marseille.

Notably, our use of the term 'privatisation' in this article follows UN-Habitat's (2003: 163) definition, describing it as "processes that increase the participation of formal private enterprises in water and sanitation provision, but do not necessarily involve the transfer of assets to the private sector". The

<sup>&</sup>lt;sup>2</sup> We did not ask for identity data. By 'middle class' we mean professionals (white collar workers, engineers, doctors, lawyers, etc.), and the ages of participants are estimated.

French model of delegated management (which includes concession, affermage, and management contracts) is the most common form of privatisation in the world today (Petitet, 2014).

### WATER PRIVATISATION IN FRANCE

While the movement for public water in France has scored some important victories, its progress has been uneven. Understanding the barriers faced by local activists in Marseille requires an understanding of the national context. The heavy influence of French multinational water corporations, the unfavourable legal environment, and the reluctance of the political elite to alter the status quo remain important obstacles for remunicipalisation movements.

In France, municipal or inter-municipal authorities have been responsible for the provision of water and sanitation services since the French Revolution (Bauby et Similie, 2017). Unlike the rest of Europe where public authorities directly manage water services, French municipal authorities have largely chosen to delegate the management of their water services to private companies since the mid-19th century (Bauby, 2014). At that time, two major French companies were established and came to dominate the sector. Compagnie Générale des Eaux (now Veolia Environment, known simply as Veolia) was created in 1853, and Société Lyonnaise des Eaux (now Suez Environment, or Suez) was established in 1880 (Pezon, 1999). Today, France possesses the highest rate of private sector participation in the delivery of water services in Europe, with the notable exception of England and Wales which, in the late 1980s, fully privatised water and sanitation services through complete divestiture (Bakker, 2005).

Nonetheless, in France the pendulum between public and private forms of management has swung back and forth over the last century, depending on external pressures and internal political factors. In the post-World War II period there was a growth in direct provision of water services by public authorities when the French Council of State recognised municipalities' right to develop certain economic activities (Bauby and Similie, 2017; Pezon, 2002). By 1976, a combination of public and delegated water services supplied potable water to about 22 million residents (Pezon, 2002: 63).

The pendulum swung back towards the private sector in the late 1980s, when privatisation came into vogue. From 1986 to 1992, there was a wave of privatisation, as the largest cities in France, including Paris, Lyon, Toulouse, St-Étienne, and Grenoble, opted to delegate management of water and sanitation services to private companies. By the early 1990s, 75 percent of the French population was supplied by private providers via delegated management contracts (Pezon, 2007; Neto, 1998: 112). There are two main explanations for this shift. First, municipal authorities believed that inviting private sector participation would help them comply with European Union directives on water quality (Dore et al., 2004: 49). Second, while these directives apply to all of Europe, the shift to private forms of management was most pronounced in France since the responsibility for water and sanitation is highly decentralised (Buller, 1996; Fitch, 2007; Bolognesi, 2018: 292-3). Municipal or inter-municipal authorities hold the responsibility for water and sanitation services. As Fitch (2007) explains, this high level of decentralisation combined with a strong central state encourages privatisation "because it implies politically and financially weak municipalities and interest groups" (ibid, 2007: 589). In the absence of any national regulation or responsibility, all power for decision-making in the water and sanitation sector is placed in the hands of the mayor or the president of the inter-municipal council. Although the municipal or intermunicipal council must vote on contractual arrangements, as explained below the process does not encourage effective public deliberation over the terms of contract or the choice of service providers.

Operating in an oligopolistic market, in the 1990s French water companies benefitted from the significant latitude granted by the French legal system to generate substantial profits and expand their operations overseas. The market in France has been dominated by Veolia, which has held most of the domestic contracts, followed by Suez and SAUR (Da Costa et al., 2015). The French government has also been keen to support the expansion of French multinational water companies overseas (Pezon and Breuil, 2012); with the international shift in favour of private over public forms of service delivery in the 1990s,

it made water and sanitation a priority in its foreign aid policy. Most of this aid money has gone to former colonies in francophone Africa, where the French model of privatisation (via the delegated management model, particularly the concession contract) has been particularly popular, for example in Tunisia, Benin, Mali, and Rwanda (Pezon and Breuil, 2012: 51-69). By the mid-2000s, Veolia claimed to be operating in around 80 countries and to be supplying drinking water to 110 million customers worldwide, while Suez claimed to be supplying drinking water to 91 million people and providing some 49 million with sanitation services (Prasad, 2006: 681).

The delegated management model came under increasing pressure in the 1990s, however, in the wake of corruption scandals in France (Barraqué, 2012; Bauby, 2009). In 1994, French magistrates began examining a number of concession contracts on charges of corruption. Several high-profile cases emerged, most notably in Grenoble where the mayor and company officials were found guilty of corruption (Avrillier, 2007; Lobina and Hall, 2007: 97; Nissan et al., 2004; Chiu, 2013). Activists from an emerging international movement for public water also accused French multinational water companies of pocketing significant profits from the sale of water in order to fund their global expansion, with the complicity of local officials (Barlow and Clarke, 2002).

In order to restore public confidence in local institutions and elected officials, the French government introduced a series of legislative and managerial reforms aimed at better regulating the water and sanitation sector. In 1993, the French government issued an anti-corruption law, called the Sapin Law, which sought to reform the procedural mechanisms for the delegation of public services, promote transparency, and formalise the competition process in the awarding of contracts (Guérin-Schneider et al., 2003). The law formalised bidding procedures, limited the duration of contracts, and required that calls for proposals be published in newspapers. Under the Sapin Law, the mayor (or the president of the inter-municipal council) retains the right to choose the winning candidate. It has been credited with reducing the average price of water (ibid) as well as shortening the average duration of contracts from 17 years in 1998 to 13 years in 2013 (SISPEA, 2016).

While the Sapin Law has proven to be beneficial in some respects, critics argue that it remains an important barrier for the pro-public-water movement. Petitet (2014: 101) argues, for example, that "competition between different companies is, more often than not, merely theoretical". Guérin-Schneider et al. (2003) observe that after the introduction of the law 90 percent of contracts are still renewed, not necessarily because the existing provider offers superior services but because of the advantages enjoyed by the incumbent. Once contracts are signed and elected officials and providers have formed relationships, the path of least resistance is renewal. French journalist and water activist Marc Laimé (personal interview) further notes that while the Sapin Law has strengthened regulation in the sector, it does not place private and public service delivery on equal terms:

The problem with the law [Sapin], in fact, is that it does not permit an equal analysis of the advantages and disadvantages between the two modes [public and private] of water management. When a territorial entity has already signed a contract with a private company, the Sapin Law simply regulates the inauguration of a competitive bid for a new contract. It is not an objective choice between the two modes of service delivery. There is a tendency to respect procedure, but not to question the advantages and disadvantages of the public or private.

Furthermore, Laimé notes that there are no legal requirements for inter-municipal entities to compare public and private models of service delivery. Marseille-based activists Bernard Mounier and Christian Pellicani (personal interviews) also note that even if they do compare both models, the evaluation is often conducted by private, external consulting firms, which tend to be biased towards delegation models as they, too, are deeply embedded in the webs of influence established by the hegemony of the delegation model. In addition, municipal councillors only have 15 days to review contract details and amendments before the delegation vote, which is not enough time to analyse complicated legal contracts and collect comparative information about the price of services. Legal procedures regulating the delegation of water

services therefore lack transparency and do not provide enough time for there to be true democratic deliberation. The short timelines make it difficult for public water activists to oppose delegation models favoured by the mayor or president of the inter-municipal council. As Sylvain Petitet (2014: 102) concludes,

[t]he self-regulation of the system therefore functions as a coalition between local authorities and private providers operating against a background of badly organized supervision on the part of elected representatives. In this context, the state only provides legal, legislative, or regulatory oversight encouraging local actors to participate meaningfully, when sufficient pressure is exerted by determinedly proactive consumer movements. The result is, therefore, not so much a local system of self-regulation as a system of global regulation by the state triggered by crises that are resolved on an ad hoc basis.

Nevertheless, the success of the remunicipalisation movement in France demonstrates that while these legal barriers are significant, they are not insurmountable. After all, over a hundred contracts in France have been terminated in favour of public forms of provision, including in cities such as Amiens, Grenoble, Nancy, Nantes, Paris, Reims, Rennes, and Tours. Nonetheless, delegated management remains the dominant model in France in terms of population served. In 2014, it accounted for 31 percent of service contracts and provided potable water to 61 percent of the population (SISPEA, 2014). Indeed, remunicipalisation – especially in large urban centres in France – is still the exception and not the rule.

# WHAT IS DRIVING WATER REMUNICIPALISATION IN FRANCE?

In order to understand why remunicipalisation has taken place in locations such as Paris and Grenoble but not Marseille, we draw on Hall et al.'s (2013) comparative studies of this trend in the water and energy sectors in France and Germany. They argue that remunicipalisation in the water sector is most likely to occur when:

- 1. There is public mistrust of a private water operator over issues of price, water quality and transparency, often augmented by some form of public scandal;
- 2. The contract is due to expire, which lowers the cost of exit;
- 3. There is a strong presence of Green politicians and public service activists in the political system.

Paris's water remunicipalisation in 2010 is emblematic of this model: price increases following privatisation in 1985 could be clearly identified as the result of higher costs of private operators, and the contract was up for renewal in 2007, just at the time when the mayor, Bertrand Delanoë (Socialist Party) and his appointee, councillor Anne Le Strat (Green Party), were re-elected as part of a "red – green coalition". Under the firm guidance of Anne Le Strat, the city was able to return water to public control upon the expiration of a contract with Suez and Veolia. Although the remunicipalisation was controversial, it took place without much fanfare or public scrutiny; indeed, few people in Paris even knew that it was happening. (For more information, see, inter alia, Barraqué, 2012; Hall et al., 2013; Pigeon et al., 2012; Valdovinos, 2012).

The cancellation of the contract in Grenoble in 2000 is a more dramatic story. Only the first and third of the three conditions listed above were satisfied, but a flagrant corruption scandal erupted that made it politically impossible to continue with the contract. Water and sanitation services were privatised in Grenoble in 1989 when an affiliate of Suez was awarded a 25-year lease contract in return for support for the mayor in his electoral campaign. The mayor may possibly have gotten away with this situation if it were not for dramatic increases in tariffs, which skyrocketed 63 percent between 1990 and 1995, at which time "a heated debate developed on whether Lyonnaise des Eaux [Suez] was realizing excessive profits" (Lobina and Hall, 2007: 97). Eventually the contracts were deemed to be illegal. The mayor is required to present information about the contract to be renewed to the council, and the consequences for failing to do so are serious. The (now former) mayor of Grenoble was convicted of corruption and

sentenced to four years in jail for failing to justify these dramatic increases in water prices to the city council. An executive from Suez, the company which held the Grenoble contract, also received a one-year sentence for paying bribes, as did the president of the mixed company that had been formed to deliver the services (Lobina and Hall, 2007: 97; Nissan et al., 2004; Chiu, 2013).

While these two successful cases of remunicipalisation in large cities in France demonstrate that returning water to public control is possible, it is important to note that they were in fact *re-municipalisations* – that is, there was a recent memory of public control in both Grenoble and Paris. In Marseille, by contrast, water and sanitation services have been operated by one private company for longer than anyone can remember, and therefore the mayor and municipal councillors in Marseille have less confidence in public forms of management due to inexperience and fear of the unknown. As we detail further below, while there have been no dramatic corruption scandals in Marseille, public water activists also believe that the mayor and his councillors have benefitted handsomely from this contractual arrangement with SEM and Veolia's web of influence. While there have been minor corruption scandals in the Marseille case, in the absence of a dramatic political shift it seems unlikely that the contract will be reversed any time soon.

#### THE MOVEMENT FOR PUBLIC WATER IN MARSEILLE

In Marseille, a small group of devoted water justice activists as well as a handful of elected officials have openly voiced their opposition to the delegation of water services to multinational corporations, and their desire for water services to be managed by a *régie* (a public authority).

Given the decentralised nature of water and sanitation services in France, it is unsurprising that – with the exception of the Confédération Générale du Travail (CGT), the main trade union centre in France – there is no national movement calling for public management of water services. There is one national organisation called France Eau Publique, which has 69 member organisations throughout France and which collectively serves more than 11 million users through public water services and 6.3 million through public sanitation services. This organisation's mandate, however, is to share knowledge amongst public water operators, not to wage political campaigns. Remunicipalisation movements therefore operate predominantly at the subnational level, and local activists in Marseille have not benefitted from the support and resources of a larger national organisation.

Public water activists in Marseille have regrouped under the organisation Eau Bien Commun PACA, which was born out of the Alternative World Water Forum that took place in Marseille in 2012. Organisers of the Alternative Forum decided to pursue the commitments and actions outlined in collaboration with international and national partners during the Forum. Eau Bien Commun PACA is an 'apolitical' (unaffiliated with any political party) coordination of citizens and associations whose goal is the public management of water by and for the people. While members of Eau Bien Commun PACA are united in their opposition to private forms of water management, the leaders who we interviewed have diverse ideological beliefs and emphasised different problems with privatisation.<sup>3</sup>

In our interviews, we asked members of Eau Bien Commun PACA what motivated their interest in public water. The slogan on their website, "Water, a source for life, not profit", expresses the disconnect between private sector objectives (to achieve 'economic efficiency' and make profits), goals which ultimately cannot be reconciled with the social aims of public services. They believe that the public provision of water services lowers prices charged to users and promotes the social objective of universal access, which ultimately improves access for low-income households and the city's large immigrant population. While Michèle Poncet-Ramade, a medical doctor by training and a borough councillor from the Green Party, emphasized ecological considerations more than the other members we interviewed, all recognised the importance of ecological considerations in the management of water resources.

<sup>&</sup>lt;sup>3</sup> For more information, see <u>http://www.eaubiencommunpaca.org</u>.

The members of Eau Bien Commun PACA have used two main tactics to advocate for public provision of water services: legal strategies and social mobilisation. Thus far, legal strategies have borne more fruit. In 2017, this small group of committed citizens achieved an important victory when they obtained an annulment of a clause in the SEM contract that had required the city of Marseille to buy back 145,000 water meters (Vinzent, 2017). The annulment of this clause saved the Métropole Aix-Marseille Provence (MPM) more than €2.2 million and exposed some of the abuses of the contract.

The members of Eau Bien Commun PACA have also been successful in bringing to light irregularities in the contract negotiation process. A 2014 report by the Regional Court of Auditors points to controversy over issues of transparency in the deliberation process as well as in the terms of the delegation contract (Chambre régionale de comptes PACA, 2014). Indeed, the report denounces the contract's excessive duration and overly abundant profits, lack of transparency, and conflicts of interest between MPM officials and SEM. The duration of the contract, awarded for a period of 15 years, was considered to be excessive and to have been concluded without sufficient debate from MPM. The report indicated that the contract's duration further increased the already disproportionate profits received by SEM at the expense of users and local government.

Another major unorthodox aspect of the deliberation process that was flagged by the Regional Court of Auditors (Chambre régionale de comptes PACA, 2014) – one that garnered significant media attention – was the relationship between Martine Vassal (a community councillor), the president of Commission AGER, (the commission that has jurisdiction over issues related to recycling, water and sanitation), and Loïc Fauchon, the president of SEM. As treasurer of the World Water Council (WWC) headquartered in Marseille, Martine Vassal also had close ties to the contract's recipient company. In addition to serving as president of SEM and signatory of the delegation contract, Fauchon was president of the WWC between 2005 and 2012. These close ties between municipal councillors and company officials have raised public suspicion regarding conflict of interest and collusion. In fact, Vassal's duties as community councillor and president of the Commission AGER enabled her to assist deliberations, approving the terms of reference for the delegation contract as well as being part of the decision-making process that resulted in renewing SEM as provider of water services. The negotiation process resulted in a significant decrease in the price of SEM's original offer shortly before the end of the deliberation, which was lower than that of competitors and ultimately won SEM the contract.

As a result of the report by the Regional Court of Auditors, in January 2015 the National Financial Prosecution<sup>4</sup> opened a preliminary inquiry on the basis of favouritism, unlawful acquisition of interest, collusion, and concealment of offences during the public tender process for the delegation of water and sanitation services that occurred in Marseille in 2013 (Leroux, 2015). In 2015, a search was conducted of the head office of SEM and the office of Martine Vassal (president of the Commission of MPM for water and sanitation services at the time). In January 2017, Veolia's head office in Aubervilliers was also searched as part of this inquiry (Leforestier, 2017). In June 2017, Martine Vassal and Loïc Fauchon were placed in custody but were released the same day (Verna, 2017). Despite local media attention, these investigations have not had any significant outcome in terms of conviction or contract cancellation.

One problem with legal strategies is that they are expensive and thus unlikely to inspire the average citizen to act (Dugard and Drage, 2012). Small citizens organisations such as Eau Bien Commun PACA have limited funding, particularly compared to the deep pockets of multinational water companies such as Veolia. The lawsuit at Marseille's Administrative Tribunal was funded out-of-pocket by a small number of people and supported by pro bono legal advice from one of the members' close friends (Poncet-Ramade, personal interview). While these legal strategies are important, they are unlikely to build into a truly

<sup>&</sup>lt;sup>4</sup> The National Financial Prosecution (or Le Parquet national financier) was created on 6 December 2013 (Law 2013-1115), and came into effect on 1 February 2014 when the national prosecutor took office (Houlette, 2017a). It is an autonomous institution which functions under the authority of the attorney general of Paris. It has national jurisdiction and investigates infractions committed throughout the French territory (Houlette, 2017b).

organic counter-hegemonic movement for the remunicipalisation of water services. Nor have they been successful in fostering public discontent with SEM.

Questions about the price of water charged by SEM have not excited much controversy either. In 2017, the price of water in Marseille, including sanitation and other associated fees, was calculated at  $\leq 3.56/m^3$  (Territoire Marseille Provence, 2017), which is the average price in France (FP2E, 2017). As a result, unfair pricing – one of Hall et al.'s (2013) 'necessary conditions' for igniting civil society opposition to the delegation management model – is not present.

Another concern is that the 15-year contract with SEM will not expire until 2028. Municipal authorities are very unlikely to be willing to terminate the contract before its expiration date given the hefty sum the municipality would be legally forced to pay to SEM. The length of the contract therefore acts as a further limitation on the political potential for remunicipalisation. Indeed, as Christian Pellicani asserts (personal interview),

[t]here are no public discussions regarding the vote for the delegation of services, and once the vote occurs, the question is not raised again. The social movement that accompanies [water] associations is very weak. We have not managed to create a large citizen movement for water. As long as no one experiences a problem with their drinking water, nothing will change. We are not in a position to create a citizen movement.

The rise and fall of the remunicipalisation movement in Marseille is typical of the broader experience of France, where the collective action cycle tends to mirror the timelines set by contract renewal. In the few cases where a citizens' movement or a public debate over water emerge, they tend to fade away shortly after the awarding of the contract. As Marc Laimé says (personal interview),

These are local debates. There are some hot spots, but they exist for a very short time before the vote on the delegation. Militant forces organize themselves before the awarding of the contract, but disappear once it is signed. These forces are sporadic and local.

Nor is it only civil society that has demonstrated a relative lack of interest in issues of transparency and collusion in water services. Elected officials have also tended to turn a blind eye. Indeed, only a handful of local politicians have questioned the hegemony of the French model and the merits of delegation. It appears that widespread practices of clientelism in civil and political society have resulted in quiet compliance, contributing to the public's indifference.

# A WEB OF INFLUENCE

Marseille is a city in which it is notoriously difficult to organise collective struggles for progressive urban causes such as public water. One problem is the entrenched nature of mayoral power. Marseille has had only three mayors since 1953, and has been home to one of the longest-serving mayors in French history, Gaston Defferre, who served for 33 years, from 1953 until his death in 1986.<sup>5</sup> This tradition appears to be continuing, as the current mayor, Jean-Claude Gaudin, has been serving since 1995. Locals consider this style of governance so remarkable that they even have a term for it: 'Defferrism'.

Marseille does not have a vibrant, independent civil society, and the influence of private corporations such as Veolia, in turn supported by the mayor and councillors, also runs very deep. As Mattina (2008: 191) puts it,

Aside from certain exceptions, [Marseille is] far from [exemplifying] an associative model that assures a counter-power to the mayor and that consists of a participatory culture and citizen mobilization. The demands of the committees are extremely muffled and inscribed in the pattern of municipal management, so that their opposition does not compromise or hinder municipal services. Various leaders have historically

<sup>&</sup>lt;sup>5</sup> Édouard Marie Herriot served as Mayor of Lyon for a total of 47 years, from 1905 until his death in 1957, with the exception of a brief period from 1940 to 1945 when he was exiled to Germany for opposing the Vichy regime.

controlled the establishment of neighbourhood associations, to channel activism into acceptable forms and ensure the exchange of social and political influence on the ground.

The municipal government curries favour with civil society organisations by funding Marseille's many sports clubs, charities and community organisations. Municipal governments in most developed countries provide financial assistance to 'non-political' civil society organisations, in this way cultivating relationships that help deepen the web of influence of both the politicians who control the purse strings and the private corporations like Veolia that provide municipal services. When one of these funded bodies organises an event, the local elected officials "never fail to put in an appearance: the moment at which a favour could be asked, to be repaid later with votes" (Mattina, 2008: 76). As former municipal councillor Michèle Poncet-Ramade (personal interview) notes, the local water and sanitation company, SEM, is no exception:

The SEM extends invitations [to the mayor and his councillors] in the name of Veolia and pays for the buffet. They [the mayor and his councillors] benefit from many receptions and cruises (...). The mayor is quite vain; he loves to be invited to grand salons.

Payan (personal interview) made a similar point: "When it comes time for contract renewal, there are many different ways that a company like SEM will try to seduce councillors". SEM sponsors various sports clubs and cultural activities in the city of Marseille, including, for example, the exhibits at the History Museum of Marseille. Informational plaques proudly display SEM's name. In short, public – private partnerships (PPPs) are at the heart of webs of influence in Marseille. As Poncet-Ramade (personal interview) argues, Marseille is one of the most privatised cities in France, extending the opportunities for clientelism: "nearly all municipal services are delivered by mixed societies: public parks, garbage collection, parking, etc"... Given this intertwining of 'private' and 'public' interests in Marseille, it can be difficult to know where one ends and the other begins.

SEM's web of influence is also enhanced by the fact that Veolia – one of France's most powerful multinational water companies – is a highly diversified organisation that dominates many sectors of urban service delivery and development, with contracts including "waste management, energy management, construction, transport, real estate development, health clinics and leisure facilities" (Moraru-de-Loë and Mitchell, 1993: 137). In the context of Marseille, Veolia's multisector nature has given incredible influence to Veolia itself, to the mayor, and to municipal councillors loyal to the French model of delegation. As Poncet-Ramade explains in an interview, if you vote the right way on municipal councils, you or your family members might find that you are offered a concessionary loan in a new housing development being built by a Veolia affiliate, or may perhaps be given a management job in a Veolia-run waste disposal company.

Also notable is that the mainstream media has been silent on the question of public water in Marseille. Our search for stories on the struggle for remunicipalisation and the renewal of the SEM contract in 2013 turned up nothing in the mainstream press. There was only a small number of stories in two subscriber-funded independent electronic magazines that do investigative reporting (the *Marscatu* and the *Mediapart*). As Poncet-Ramade (personal interview) explained, the mainstream press has ignored the topic because

[p]eople are scared of Loïc Fauchon [the President, Chief Executive Officer and Chairman of SEM], because he hands out money and jobs. He (...) is mayor of a commune close to Marseille; he was President of the SEM. He has a lot of influence over the press (...). The newspapers did not talk to us. In *La Provence* there was a blackout. *Sud-Ouest* reported on the story, but that newspaper does not reach us here.

It has been difficult for local activists to change the hearts and minds of the mayor and the municipal councillors in Marseille, since the issues of environmental protection and the pricing of water and sanitation services – the two framing issues of the local movement for public water – have not been successfully politicised, in part because of the perception that there are more pressing urban issues. As

Dell'Umbria (2012: 81) notes, "[f]rom 1970s onwards, the image of Marseille as a city in the grip of unemployment, poverty, urban blight and corruption became increasingly entrenched in the national media". Accompanied by a growth in unemployment, the departure of the middle class from social housing, and increasingly dilapidated housing estates, politicians from across the political spectrum have campaigned on broad agendas of 'urban renewal' rather than on the specifics of how a particular service is being delivered.

As a result, and in the absence of a 'crisis' in water services, it has been difficult to get remunicipalisation onto the political agenda. Sadly, what Marseille's public water movement probably needs is a spark, such as a dramatic increase in water prices, sharply deteriorating water quality, or a controversy around contributions to electoral campaigns. Without a smoking gun, public attitudes in Marseille appear impervious to ongoing nepotism, favouritism and collusion in the water sector. The average person likely sees these long-standing practices as 'business as usual'.

# CONCLUSION

There is an old saying amongst social justice activists that social movement struggles are never lost, they are only abandoned. As this paper has sought to demonstrate, given the hegemony of the French model of service delivery in Marseille – a city in which there is no collective memory of 'public' water and sanitation services – it seems unlikely that water privatisation will rise to the fore as an issue in the next municipal elections in Marseille in 2020. The mayor, his councillors, Veolia, and their network of associates clearly have enormous influence in Marseille, and as a result, public water activists have found it difficult to persuade average citizens that water privatisation is an urgent issue worthy of their immediate attention. Nonetheless, there are glimmers of hope on the horizon.

First, scandals have erupted around the mayor. In 2017, Mayor Gaudin, along with other senators from his political party, was accused of embezzling €5,000 per year (Le Point, 2017). He resigned from his senate seat. It remains unclear, however, if this scandal has done anything to damage his reputation. Gaudin remains the mayor of Marseille, however he announced in January 2018 that he will not be running for election in 2020. It is expected that he will be succeeded by Martine Vassal (Le Point, 2018).

Second, the SEM contract is up for renewal in 2028. If Hall et al. (2013) are right, the most exciting opportunity for the (re)municipalisation movement in Marseille will therefore be in 2027, when the municipal elections will fall right before the renewal. Movement leaders would do well over the next few years to focus on grooming new cadres, as well as building bridges with other community activists in the poorest parts of the city – the *quartiers nords* – where residents have been excluded from the mayor's webs of influence, and therefore have little to gain from the status quo but much to gain in terms of lower water prices. Despite their inclusive framing and awareness about the issues, the water justice activists whom we interviewed were all well-heeled members of Marseille civil society and spoke of no organic relationships with community leaders in the quartiers nords. Overcoming such divisions within the city will become even more important in the next decade given the political crisis in France, but crisis, after all, also means opportunity.

Third, there is much uncertainly in French politics. We write this essay in April 2019, in the wake of the late-2018 movement of the Yellow Jackets, one of the most dramatic uprisings in recent French history and one which was sparked by rising fuel prices. There is much speculation on where this movement is heading, and much fear and hope by commentators within and outside the movement as to which way the political winds will blow in the context of this uncertainty. The spectre of fascism is haunting Europe. And yet, at the same time, in this context of political polarization, there are also some very progressive demands being made in these uprisings, such as the demand to raise the minimum wage.

It is unclear what bearing the Yellow Jacket movement could have on the water privatisation debate in France as a whole, or in Marseille in particular; however, it would not be difficult for water justice activists already working in poor communities to make connections between the prices of basic goods such as fuel and water, and the generalised exclusionary nature of the political and economic systems in France. There is potential for the building of a left-wing populist movement of the kind that ousted the neo-liberal government in Argentina in the 1990s. One of the main social movement demands at that time was: "*Qué se vayan todos*!" (Throw them all out!). The plebeian character of the Yellow Jackets movement and its unrelenting and popular demand for the resignation of President Macron point to the distinct possibility that another world is not only possible, but may actually be dawning.

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